

Consolidated Statement of Source and Disposition of Funds

	6 Months to February 28 1973	1972*
SOURCE OF FUNDS:		
Operations:		
Net earnings before extraordinary items....	\$1,655,721	\$1,353,769
Depreciation.....	888,808	727,146
Deferred income taxes....	65,084	43,639
Equity in undistributed earnings.....	(457,143)	(64,567)
	<u>2,152,470</u>	<u>2,059,987</u>
Repayment of long term notes.....	823,451	37,783
Increase in share capital....	—	3,066,657
Proceeds from sale of investments, net.....	279,180	43,368
	<u>3,255,101</u>	<u>5,207,795</u>
DISPOSITION OF FUNDS:		
Additions to Fixed Assets...	1,180,333	1,542,698
Dividends.....	548,061	518,942
Long term debt repaid.....	43,524	—
	<u>1,771,918</u>	<u>2,061,640</u>
Increase in working capital.	1,483,183	3,146,155
Working capital deficiency, August 31.....	4,552,051	9,810,442
Working capital deficiency, February 28.....	<u>\$3,068,868</u>	<u>\$6,664,287</u>

*Restated to include:

- (a) Service prepayments of \$1,577,074 reclassified as a current liability.
- (b) Equity in earnings of joint venture companies.

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Canadian
Cablesystems
Limited

CABLE TV

Hamilton Co-Axial (1958) Limited	100%
Grand River Cable TV Limited	100%
Metro Cable TV Limited	100%
Cornwall Cablevision Inc.	100%
London Cable TV Limited	50%
Jarmain Cable TV Limited	34%
Chatham Cable TV Limited	25%
Pine Ridge Cable TV Limited	37.5%
Albarni Cable Television Limited	20%

TELEVISION

British Columbia Television Broadcasting System Limited	11.8%
Bushnell Communications Limited	6.3%
Télé-Capitale Ltée	18%

THEATRES

Famous Players Limited	48.8%
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OTHER

Sportsnetwork Limited	100%
Agra Industries Limited	31,673 shares

Canadian
Cablesystems
Limited

INTERIM REPORT TO THE SHAREHOLDERS

For the Six Months Ended
February 28, 1973

TO THE SHAREHOLDERS:

Consolidated earnings, before extraordinary items, were \$1,655,721, compared to \$1,353,769 for the same period in 1972. This represents an increase of 22% and amounts to 42.3¢ per share, compared to 37.2¢. In addition, the Company had a gain on the sale of investments amounting to \$137,340 or 3.5¢ per share, for total earnings for the period of \$1,793,061 or 45.8¢ per share.

The management is confident that the Company will continue to make progress throughout the second half of our fiscal year.

Flunthia

April 25, 1973

(unaudited)

1973

1972

\$4,059,603

\$3,045,936

2,000,493

1,540,910

888,888

727,146

1,170,302

777,880

Equity in net earnings:

Famous Players Limited

Other Corporate joint ventures

Interest earned and other income

Interest paid.

Dividends received

Net earnings before taxes

Income taxes

Net earnings before extraordinary items

Gain on sale of investment, net.

Net earnings for the period

Earnings per share before extraordinary items

Earnings per share for the period

*1972 restated to include equity in earnings of joint venture companies.

† Based on weighted average of shares outstanding.

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129,221
~~976,633~~

783,512

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